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NSC BRIEFING

11 January 1956

INDONESIA

- I. Indonesian cabinet may fall in near future over Prime Minister Harahap's handling of New Guinea issue and other problems with Dutch.
 - A. Parliament reconvened 11 January, and debate scheduled begin 16 Jan on government's handling of New Guinea issue.
 - B. If vote is taken, at least two government parties may join opposition and vote against government.
 - C. Opposition led by National Party and Communists needs 18 votes to defeat government.
 1. Two disaffected parties--Islamic League (PSII) and Nahdlatul Ulama (NU)--together hold 12 seats in present parliament but their desertion of government could easily encourage other of coalition cabinet's 12 parties to switch sides.
- II. Opposition to government's policy toward Dutch has been actively encouraged by President Sukarno.
 - A. During a nationwide tour last month obviously aimed at embarrassing government, Sukarno repeatedly expressed bitter opposition to negotiations with Dutch.

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1. He accused government of adopting "begging policy" toward "imperialists"; said it was unity among Indonesians rather than negotiations and diplomacy that would lead to "return" of New Guinea.

III. Masjumi, which heads government is desperately eager to stay in office until newly-elected parliament is seated (probably in April).

A. Masjumi leaders are willing to effect any sort of compromise to avoid cabinet collapse.

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B. Dutch talks are now in recess and government may agree to demands of two dissident parties and not resume them.

IV. If government survive present situation, it can expect continued difficulties, largely as result of small party deviations and maneuvers of NU and President Sukarno.

A. Small parties, as such, have largely lost their identities as result of elections, but their leaders hope for new opportunities.

1. They will watch activities of President Sukarno and National Party and shape their own tactics accordingly.

B. NU, now a major party, obviously slated as member of next coalition government, appears to be playing the Masjumi against the National Party in the hope of extracting maximum concessions from each.